

Editor's note: Appealed -- reversed, Civ. No. 71-1689 (C.D. Calif. June 21, 1972), 345 F. Supp. 685; vacated and remanded, No. 72-2449 (9th Cir. Nov. 27, 1973)

HUMBLE OIL & REFINING COMPANY

UNION OIL COMPANY OF CALIFORNIA

GULF OIL CORPORATION

MOBIL OIL CORPORATION

TEXACO INC.

IBLA 70-437 to
70-500 incl.

Decided September 30, 1971

Outer Continental Shelf Lands Act: Oil and Gas Leases

Where no written notice from the Secretary of the Interior to cease all drilling and production operations on an Outer Continental Shelf Lands Act oil and gas lease was served on the lessee pursuant to 30 CFR 250.12, no extension to the lease term will be granted.

3 IBLA 266

IBLA 70-437 to 70-500	:	OCS-P 0166 etc. <u>1/</u>
HUMBLE OIL & REFINING COMPANY	:	Outer Continental Shelf
UNION OIL COMPANY OF CALIFORNIA	:	Lands Act oil and gas
GULF OIL CORPORATION	:	leases: extensions
MOBIL OIL CORPORATION	:	denied
TEXACO INC.	:	
	:	Affirmed

DECISION

Humble Oil & Refining Company, Union Oil Company of California, Gulf Oil Corporation, Mobil Oil Corporation and Texaco Inc., have appealed to the Director, Bureau of Land Management, 2/ from the decision dated December 1, 1969, in which the manager, Pacific Coast OCS Office, Bureau of Land Management, declared that oil and gas leases OCS-P 0166, 0188, 0190, 0202, 0234, and 0241 were the only OCS-P leases affected by the Secretary's written orders of February 7, 1969, which halted drilling and production operations on these leases in the Santa Barbara Channel, off the coast of California. He held that the suspension was lifted April 1, 1969, from leases 0166, 0188, 0190 and 0202, so the term of each of those leases is extended for a period of 53 days pursuant to 43 CFR 3385a.4 (now 43 CFR 3305a.4 (1971)). The suspension was lifted July 3, 1969, from lease 0234, so the term of this lease is extended for a period of 146 days.

A subsequent decision dated May 26, 1970, stated that remedial operations and production have continued uninterruptedly on lease 0241 from February 7, 1969, to the present, so that no extension of the lease term will be allowed under 43 CFR 3385a.4(a).

1/ See APPENDIX 1.

2/ The Secretary of the Interior, in the exercise of his supervisory authority, transferred jurisdiction over all appeals pending before the Director, Bureau of Land Management, to the Board of Land Appeals, effective July 1, 1970. Circular 2273, 35 F.R. 10009, 10012.

Union, Gulf, Mobil and Texaco contend that statements released by the Office of the Secretary of the Interior when and immediately after the orders were issued on February 7, 1969, had the effect of delaying their overall drilling and development operations program by at least one year, so that each of the OCS-P leases in the Santa Barbara Channel held by them should have its term extended for not less than one year, and rentals should be waived for a like period.

Humble contends that the primary term of each OCS-P lease in the Santa Barbara Channel should be extended for a 53 day period, equal to the duration of the suspension of drilling and production operations on the designated leases held by Humble and associates, viz., 0188 and 0190.

The record shows that on February 7, 1969, drilling and production operations were being conducted only on the six leases in the Santa Barbara Channel named in the OCS office decision of December 1, 1969, namely, 0166, 0188, 0190, 0202, 0234 and 0241. On February 7, 1969, the Secretary of the Interior, in writing, notified the lessee of each of these six leases to cease all drilling and production operations on the lease, pending further notice, and citing, inter alia, 30 CFR 250.12. No written notice of a suspension order naming any other specific lease in the Santa Barbara Channel area was sent to any lessee or operator. On February 7, 1969, the cited regulation, 30 CFR 250.12(b), provided that no emergency suspension may be imposed upon an OCS oil and gas lease without written notice to the lessee from the authorized officer. The Secretary, pursuant to Departmental regulations, has interpreted statements made by him on or about February 7, 1969, as not having suspended operations on any lease not specifically named in written orders addressed to the lessees. Therefore, operations on no OCS-P oil and gas lease other than 0166, 0188, 0190, 0202 and 0234 were actually suspended. 3/

3/ During the 53-day period before operations were permitted to resume on leases 0166, 0188, 0190 and 0202, no application to drill or otherwise to operate on any other OCS-P lease in the Santa Barbara Channel was filed with the Regional Oil & Gas Supervisor, U.S. Geological Survey.

Accordingly, as no approved drilling or production operations were suspended by the Secretary's statements, and as the written suspension orders were specifically directed toward only the five leases immediately above named, no other OCS-P lease is entitled to any extension of its term.

Therefore, pursuant to the authority delegated to the Board of Land Appeals by the Secretary of the Interior (211 DM 13.5; 35 F.R. 12081), the decision of the Outer Continental Shelf office is affirmed.

Newton Frishberg, Chairman

We concur:

Francis E. Mayhue, Member

Frederick Fishman, Member

APPENDIX I

IBLA 70-437	OCS-P 0213	Humble, Standard of	
	438		0212 California, Atlantic
	439		0211 Richfield
	440		0206
	441		0201
	442		0200
	443		0176
	444		0175
	445		0173
	446		0171
	447		0169
	448		0195
	449		0191
	450		0221 Humble, Standard of
	451		0217 California
	452		0210
	453		0209
	454		0208
	455		0207
	456		0205
	457		0204
	458		0197
	459		0196
	460		0194
	461		0193
	462		0189
	463		0182
	464		0179
	465		0174
	466		0238 Humble
	467		0235
	468		0232
	469		0231
	470		0223
	471		0222
	472		0199
	473		0198
	474		0190

APPENDIX I (Cont.)

475	0188
476	0187
477	0186
478	0184
479	0183
480	0181
481	0180
482	0178
483	0177
484	0168 Union, Gulf, Mobil
485	0237 Union, Gulf, Texaco, Mobil
486	0233
487	0230
488	0229
489	0228
490	0227
491	0220
492	0192 Union
493	0216
494	0241 Union
495	0166 Union, Gulf, Texaco, Mobil
496	0219 Union, Gulf
497	0170 Union, Mobil
498	0172
499	0202
500	0203

